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Reserve Bank of India vide notification dated May 12, 2021 has issued guidelines for Sponsor Contribution to an AIF set up in Overseas Jurisdiction, including IFSCs

- RBI vide notification dated May 12, 2021 has issued guidelines for Sponsor Contribution to an AIF set up in Overseas Jurisdiction, including IFSCs.
- It has been decided that any sponsor contribution from a sponsor IP to an Alternative Investment Fund (AIF) set up in an overseas jurisdiction, including International Financial Services Centres (IFSCs) in India, as per the laws of the host jurisdiction, will be treated as Overseas Direct Investment (ODI). Accordingly, IP, as defined in regulation 2(k) of the Notification *ibid.* can set up AIF in overseas jurisdictions, including IFSCs, under the automatic route provided it complies with Regulation 7 of the Notification FEMA 120/2004-RB.
- The directions contained in this circular have been issued under section 10 (4) and 11(1) of the FEMA and are without prejudice to permissions/approvals, if any, required under any other law.

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Reserve Bank of India vide notification dated May 11, 2021 has issued Banking Regulation Act, 1949 – Section 26A Depositor Education and Awareness Fund Scheme, 2014 – Interest rates payable on unclaimed interest bearing deposit

- RBI vide notification dated May 11, 2021 has issued Banking Regulation Act, 1949 – Section 26A Depositor Education and Awareness Fund Scheme, 2014 – Interest rates payable on unclaimed interest bearing deposit.
- The rate of interest has since been reviewed and it has been decided that the rate of interest payable by banks to the depositors/claimants on the unclaimed interest bearing deposit amount transferred to the Fund shall be 3 per cent simple interest per annum with effect from the date of this circular.
- Accordingly, all the banks are advised to calculate the interest payable on interest bearing deposits transferred to RBI at the rate of 4 per cent p.a. up to



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June 30, 2018, 3.5 per cent w.e.f. July 1, 2018 up to May 10, 2021 and at 3 per cent with effect from May 11, 2021 till the time of payment to the depositor/claimant.

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Reserve Bank of India vide notification dated May 10, 2021 has issued Amendment to the Master Direction (MD) on KYC

- RBI vide notification dated May 10, 2021 has issued Amendment to the Master Direction (MD) on KYC.
- It has been decided to amend the MD on KYC to further leverage the Video based Customer Identification Process (V-CIP) and to simplify and rationalise the process of periodic updation of KYC.
- Accordingly, the relevant Sections of the MD on KYC are hereby amended to reflect the aforementioned changes. The amended provisions shall come into force with immediate effect.
- The amendment has been attached.

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Securities Exchange Board of India vide notification dated May 12, 2021 has issued procedure for seeking prior approval for change in control of SEBI registered Portfolio Managers

- SEBI vide notification dated May 12, 2021 has issued procedure for seeking prior approval for change in control of SEBI registered Portfolio Managers.
- Regulation 11(aa) provides that a Portfolio Manager shall obtain prior approval of SEBI in case of change in control in such manner as may be specified by SEBI. Accordingly, it has been decided that all SEBI registered Portfolio Managers shall comply with the amendment in the attached, in case they propose a change in control.
- This circular is issued in exercise of powers conferred under Section 11(1) of the



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Securities and Exchange Board of India Act, 1992 read with Regulation 43 of the SEBI (Portfolio Managers) Regulations, 2020, to protect the interests of investors in securities market and to promote the development of, and to regulate the securities market.

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Securities Exchange Board of India vide notification dated May 10, 2021 has issued guidelines for Business responsibility and sustainability reporting by listed entities

- SEBI vide notification dated May 10, 2021 has issued guidelines for Business responsibility and sustainability reporting by listed entities.
- SEBI vide Circular no. CIR/CFD/CMD/10/2015 dated November 04, 2015 has prescribed the format for the Business Responsibility Report (BRR) in respect of reporting on ESG (Environment, Social and Governance) parameters by listed entities.
- In terms of amendment to regulation 34 (2) (f) of LODR Regulations vide Gazette notification no. SEBI/LAD-NRO/GN/2021/22 dated May 05, 2021, it has now been decided to introduce new reporting requirements on ESG parameters called the Business Responsibility and Sustainability Report (BRSR). The BRSR is accompanied with a guidance note to enable the companies to interpret the scope of disclosures.
- In terms of the amendment, with effect from the financial year 2022-2023, filing of BRSR shall be mandatory for the top 1000 listed companies (by market capitalization) and shall replace the existing BRR. Filing of BRSR is voluntary for the financial year 2021-22.
- The Circular is issued in exercise of the powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992 read with Regulation 101 of the LODR.

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